

## Message Text

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46/42

ACTION OPIC-06

INFO OCT-01 ARA-10 ISO-00 EB-07 L-02 AID-05 SSO-00 COME-00

IGA-01 INRE-00 SS-15 SP-02 CIAE-00 INR-07 NSAE-00

NSC-05 NSCE-00 /061 W

----- 098685

R 301529Z JAN 75

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC IMMEDIATE NIACT 816

UNCLAS GEORGETOWN 0155

C O R R E C T E D C O P Y (PASSING INSTS. ADDED)

DEPARTMENT PASS OPIC FOR LUBLIN

E.O. 11652: N/A

TAGS: EINV, GY

SUBJECT: REYNOLDS GUYANA SETTLEMENT

REF: GEORGETOWN 0148; STATE 020944

1. THERE FOLLOWS VERBATIM TEXT OF DEED OF RELEASE AGREED TO  
JAN 29 BETWEEN ATTORNEY GENERAL AND LLOYD LUCKHOO (FOR REYNOLDS).

2. BEGIN TEXT. THIS DEED MADE AND ENTERED INTO THIS (BLANK) DAY  
OF 1975, BY-

- (I) THE GOVT OF GUYANA ("THE GOVERNMENT");
- (II) REYNOLDS METALS COMPANY ("REYNOLDS");
- (III) REYNOLDS GUYANA MINES LIMITED ("REYNOLDS-GUYANA");
- (IV) THE OVERSEAS PRIVATE INVESTMENT CORPORATION ("OPIC"),  
AN AGENCY OF THE UNITED STATES GOVERNMENT.

WHEREAS BY AN AGREEMENT DATED 31ST DECEMBER , 1974, MADE BETWEEN  
THE ABOVE PARTIES IT WAS PROVIED BY CLAUSE (7) THEREOF, AS FOLLOWS:-

"PENSIONS: ON CLOSING DATE, REYNOLDS SHALL PAY INTO A GUYANA  
PENSION TRUST ACCOUNT TO BE ESTABLISHED IN THE GUYANA NATIONAL  
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CO-OPERATIVE BANK, THE AMOUNT OF US DOLS 574,000 (OF WHICH NO LESS

THAN US DOLS 559,000 SHALL BE FROM FUNDS NOT NOW ON DEPOSIT IN GUYANA) IN DISCHARGE OF ALL CLAIMS AND OBLIGATIONS IN CONNECTION WITH PAYMENT OF PENSIONS, SEVERANCE PAY, AND OTHER AMOUNTS DUE EMPLOYEES. ON CLOSING DATE, THE GOVT SHALL CAUSE US DOLS 376,000 TO BE TRANSFERRED FROM THE ESCROW ACCOUNT TO SUCH TRUST AND SHALL BE CREDITED FROM THE SAID ACCOUNT WITH THE SUM OF US DOLS 40,000 IN RESPECT OF AMOUNTS PAID BY THE GOVT TO WORKERS WHO RECEIVE RETRENCHMENT NOTICES AND WHO WILL BE TREATED AS HAVING BEEN ON FULL-PAID LEAVE. THE GOVT SHALL EXECUTE AND DELIVER TO REYNOLDS IN APPROPRIATE FORM A GENERAL RELEASE AND AGREEMENT TO HOLD HARMLESS AND INDEMNIFY REYNOLDS AND REYNOLDS-GUYANA FOR ALL SUCH CLAIMS";

AND WHEREAS REYNOLDS HAS PAID THE SAID SUM OF US DOLS 574,000 INTO THE GUYANA NATIONAL CO-OPERATIVE BANK TO THE CREDIT OF A GUYANA PENSION TRUST ACCOUNT AS REQUIRED BY CLAUSE (7) OF THE ABOVE AGREEMENT;

AND WHEREAS THE GOVT HAS CAUSED US DOLS 376,000 TO BE TRANSFERRED FROM THE ESCROW ACCOUNT TO THE GUYANA NATIONAL CO-OPERATIVE BANK TO THE CREDIT OF A GUYANA PENSION TRUST ACCOUNT AS REQUIRED BY THE SAID CLAUSE 7, WHICH TRANSFER IS HEREBY ACKNOWLEDGED BY REYNOLDS AND REYNOLDS-GUYANA, MAKING WITH THE AFORESAID SUM OF US DOLS 574,000 A TOTAL CONTRIBUTION BY REYNOLDS OF US DOLS 950,000 TO THE SAID GUYANA PENSION TRUST ACCOUNT.

AND WHEREAS THE GOVT HAS BEEN CREDITED FROM THE SAID ESCROW ACCOUNT WITH THE SUM OF US DOLS 40,000 AS REQUIRED BY THE SAID CLAUSE 7, AND HEREBY ACKNOWLEDGES HAVING BEEN SO CREDITED:

NOW THIS DEED WITNESSETH AS FOLLOWS:

1. IN PURSUANCE OF THE SAID AGREEMENT AND IN CONSIDERATION OF THE PAYMENT AND TRANSFER MADE AND THE CREDIT GIVEN AS AFORESAID, THE GOVT HEREBY RELEASES AND DISCHARGES REYNOLDS AND REYNOLDS-GUYANA, THEIR SUCCESSORS AND ASSIGNS, FROM ALL ACTIONS, PROCEEDINGS, CLAIMS, ACCOUNTS, LIABILITIES AND DEMANDS IN RESPECT OF THE PAYMENT OF PENSIONS, SEVERANCE PAY AND OTHER AMOUNTS DUE TO EMPLOYEES.

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2. IN FURTHER PURSUANCE OF THE SAID AGREEMENT AND IN CONSIDERATION OF THE PAYMENT AND TRANSFER MADE AND THE CREDIT GIVEN AS AFORESAID, THE GOVT HEREBY COVENANTS THAT IT WILL HENCEFORTH KEEP INDEMNIFIED AND SAVE HARMLESS REYNOLDS AND REYNOLDS-GUYANA, THEIR SUCCESSORS AND ASSIGNS AND EACH OF THEM, FROM AND AGAINST ALL CLAIMS, DEMANDS, ACTIONS, PROCEEDINGS (INCLUDING COSTS THEREOF), AND ACCOUNTS, IN RESPECT OF LIABILITIES FOR THE PAYMENT OF PENSIONS,

SEVERANCE PAY AND OTHER AMOUNTS DUE TO EMPLOYEES.

IN WITNESS WHEREOF THE PARTIES HERETO HAVE HEREUNTO SET THEIR HANDS  
AND SEALS. END TEXT.

3. SIGNATURE FORMULA READS, FOR EACH OF FOQA PARTIES, INCLUDING  
OPIC: QUOTE SIGNED, SEALED AND DELIVERED BY (BLANK) IN THE  
PRESENCE OF: (BLANK) UNQUOTE, WITH SPACE FOR SIGNATURES OF  
TWO WITNESSES. LUCKHOO STATES FOUR ORIGINAL COPIES OF DEED TO BE  
FORWARDED TO US IN ORDER TO HAVE SEALS OF REYNOLDS METALS AND OPIC  
AFFIXED. I QUESTIONED NBKD FOR THIS FORMALITY AND HE SAID IT WAS A  
NECESSARY PROTECTION.

4. I CANNOT REACH EITHER LUCKHOO OR ATTORNEY GENERAL UNTIL ABOUT  
1300-1400 JAN 30 TO CONVEY MESSAGE ON AMENDMENT OF RELEASE.  
SUGGEST LANGUAGE TO INCORPORATE RELEASE OF OPIC LIABILITY  
TO BE WORKED OUT BETWEEN OP  
AND REYNOLDS AND PHONED TO  
LUCKHOO. OTHERWISE, DOUBT WE WILL MAKE CLOSING ON JAN 31. OUR  
OTHER APPROACH WOULD BE TO TELL REYNOLDS AND GOG THAT OPIC WILL NOT  
SIGN DEED UNLESS RELEASE RUNS TO OPIC AS WELL.  
KREBS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
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**Control Number:** n/a  
**Copy:** SINGLE  
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**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
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**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Document Unique ID:** 00  
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**Executive Order:** N/A  
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**Film Number:** D750035-0055  
**From:** GEORGETOWN  
**Handling Restrictions:** n/a  
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**Secure:** OPEN  
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**TAGS:** EINV, EMIN, GY, US, REYNOLDS GUYANA  
**To:** STATE  
**Type:** TE  
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